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The Relationship of the Extension
Service to Farmers' Cooperative
Associations

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THE RELATIONSHIP OF THE EXTENSION SERVICE
TO FARMERS' COOPERATIVE ASSOCIATIONS*

C. B. Smith,
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U. S. Department of Agriculture.

I appreciate the opportunity to meet with this group representing one of the best organized branches of agriculture. It is advantageous from the point of view of an extension worker to obtain a first hand knowledge of your problems and accomplishments. I am also glad to be able to give you the attitude of the State and Federal Extension Services toward agricultural cooperation and the services which they have rendered and can render to the movement.

Cooperative organization is a vital part of the business of farming. Progress in marketing, stabilization of production and price, and the development among the farmers of capacity to meet their business problems are dependent upon the success with which they can work together in cooperative organizations. Agriculture, in all its phases, is too large an industry and its problems are too extensive and complex to hope for success through a system of individual marketing. Cooperation is a vital part of successful American Agriculture.

*Address before the National Cooperative Milk Producers' Association, Memphis, Tenn., October 18, 1928.

DISTRIBUTION: One copy of this circular has been sent to each extension director, marketing specialist, and state agricultural college and experiment station library.

In view of this, extension officials who fail to realize the place of cooperation in agriculture, or who fail to work for the development of sound substantial farmers' organizations are not meeting their full obligations to the farmers. You will appreciate, of course, that support of the principles of cooperation and aid in its advancement places upon extension officials the obligation of assuring themselves that particular organizations are soundly managed. It also, may I add, places on officials of cooperative associations the responsibility of working closely with extension agents and keeping them advised regarding the operations of the associations.

As a group, the cooperative extension forces throughout the United States have been awake to their responsibilities. The extent of the assistance which county agents and extension officials have given to cooperative organizations, particularly to local associations, is not generally known. We may give a few figures which will serve to indicate the scope of the contributions of county agents and home demonstration agents to the development of cooperative organizations.

During 1927, the last year, of course, for which we have records, 514 county agents, reported that they had assisted in the organization of 850 cooperative marketing and purchasing associations. For the same year, 70 home demonstration agents reported that they had assisted in the organization of 171 associations. In other words, 1021 cooperative associations were organized in 1927 with the assistance of county extension officials. During 1927, furthermore, 989 county agents and 109 home demonstration agents reported that they assisted, previous to 1927, in the organization of 2413 cooperatives with a total membership of 436,439 farmers, which did a business during the year totaling over \$193,000,000. This record, I think, is evidence that extension officials have been of some assistance in the development of agricultural cooperation, and have been a substantial educational force in the growth of cooperative organizations.

Although the extension forces have played an important part in the development of some of the large-scale cooperatives in this country, a large part of their work naturally has been with local associations and local groups of farmers. It has not been less important for that reason; in fact, in my opinion, the work of the county agents and home demonstration agents in local communities has provided one of the greatest elements of strength in the cooperative movement today. You will all agree, I think, that cooperation to be successful, whether in the community or on a national scale, must be based upon farmers who are informed regarding their marketing problems and who have had experience in meeting them cooperatively.

The work of the extension agents is giving the farmers this knowledge and experience. Although the business in dollars of local associations may be small, they are, when soundly organized and wisely guided, rendering important services to their members. Furthermore, they are paying large dividends which cannot be measured in dollars and cents or in immediate results. They are teaching farmers the real possibilities of cooperative effort. They are developing local initiative and local leadership which must be the framework of more ambitious cooperative programs. Leadership especially is important, and if these local organizations were nothing more than training schools for farm leaders, they would have more than justified the expenditure of time and funds by extension officials to assist in their development. This, however, is but a part of what has been accomplished.

The success of any national organization depends upon the efficiency of its locals.

Of special interest to this group will be the activities of the extension forces in the organization of associations for the marketing of dairy products. During 1927, county agents in 17 states reported that they had assisted in the organization of dairymen's associations; county agents from 22 states reported that they had assisted in the organization of milk plants, creameries, or cheese factories. In addition to aiding cooperatives already in existence, dairy specialists in 14 states rendered assistance in the organization of dairymen during 1927 to secure better market conditions for their products.

That many state directors of extension are sensing the need of a more definite program in the marketing of farm products is evidenced by the fact that within the last few years 25 states have placed on their payrolls a total of 56 marketing specialists. Iowa leads in this respect with seven marketing specialists; Ohio with five; Wisconsin has four; and the remaining 22 states smaller numbers.

This work will continue to develop, and as facilities for training young men in agricultural economics continue to improve the service given by these marketing specialists to the cooperative organizations will become more and more effective. In many of these states, the program of the marketing specialist is formulated in conference with the leaders of the cooperative marketing groups, in an attempt to coordinate definitely the marketing services of the state institution into one general educational, fact finding, and extension program.

The Extension Service is anxious to extend and strengthen its services to cooperative marketing associations. We believe that by so doing we are rendering effective service to the farmers, whether they are members of cooperatives or not. Furthermore, if the extension forces can work through organized groups, they are able to conserve time and funds and to obtain more lasting results. In carrying on this work, of course, extension officials cannot lose sight of the fact that they are primarily educators. They cannot assume responsibility for the organization and direction of cooperative associations, but with this limitation there are many things which they can do to foster and promote the movement.

I should like to take this opportunity to point out some of the ways in which county agents and extension marketing specialists can assist in furthering and strengthening the cooperative movement. I do this for the purpose of submitting to you a fairly definite program for such comments or suggestions as you may have to offer.

1. County agents and extension officials may advise and assist farmers in surveys of the immediate needs of the community or state. Once the needs and the resources of the community or state have been carefully ascertained, both from the standpoint of production and of marketing, they may further advise and assist the farmers in developing the type of organization best adapted to meet present and anticipated conditions of the community and in its market outlets. It is the duty of the federal, state, and county extension worker, to assist farm leaders in the working out of organization plans, development of the business set-up of the organization and in the formulation of financing and marketing policies.

Once the organization is perfected, it then becomes the further duty and privilege of the extension worker to make available to the management of the association the results of marketing research carried on by the states and the U. S. Department of Agriculture, to disseminate crop and market information and approved statistical, accounting, financing and marketing practices, and to further assist the cooperative in disseminating such information back to the producers.

2. Extension employees may take part in meetings held by cooperative associations. In such meetings, they may discuss marketing problems; the principles of cooperative marketing and the results obtained through research studies conducted for the purpose of actually finding out the conditions surrounding the marketing of that commodity so that production methods may be adapted by farmers to the particular needs of their market.

3. County agents, marketing specialists, and commodity specialists may conduct educational campaigns and meetings for the purpose of bringing to the farmer the exact needs of the market for his product. They may further assist the cooperative in arranging for demonstrations in packing, processing, and standardizing of products handled by cooperative marketing organizations, particularly those phases of this work for which the farmer is responsible. In this way they can change production, packing, processing, and standardization methods, so as to be exceedingly valuable toward the success of the association and the producer.

In this connection we believe extension employees have materially assisted associations marketing livestock by conducting livestock grading demonstrations, livestock marketing tours to the terminal markets and by the accrediting of cooperative livestock shipping associations. When demonstrations or tours of this kind are undertaken, the county agent and livestock specialist assume responsibility for the publicity given these activities. They write and visit farmers who should take part; and, in fact, assume that it is their responsibility to see that a large number of livestock

producers are in attendance. At the demonstrations or during the tours, the extension employees, in cooperation with the employees and officials of the cooperative marketing associations, attempt to establish in the farmer's mind what classes and grades mean, and how these grades affect returns received from the terminal markets. In other words, they attempt to show the farmer the kinds of livestock which buyers discount on the market and the kinds for which they are willing to pay a premium. With this information, the farmer is in a position to make adjustment in his production which will increase his net returns.

4. County agents, marketing specialists and commodity specialists may assist in the promotion of cooperative marketing schools in cooperation with the marketing associations, agricultural high schools, county farm bureaus, or other agencies. In so doing extension employees provide a medium through which the farmers of the state or county may attain a correct understanding of the problems and principles of marketing and the possibilities and limitations of cooperative marketing.

In short, the extension worker can and should assist the farmers in the actual setting up of their cooperative marketing machinery, and can continue to assist in keeping it in a healthy operating condition by making available to the organization the results of research studies and of practical experience gained by the most efficiently operated cooperative associations marketing agricultural products.

The outline here given of the activities in which extension workers may engage indicates that their field of work has been gradually extended. The viewpoint of the Federal Extension Service, as well as that of outside agencies, has been materially broadened. It should not be forgotten, however, that the fundamental duties of the extension worker, as provided for by the Smith-Lever Act which set up the Agricultural Extension Service, are educational and demonstrational in character. It should not be expected, therefore, that the county agent or other extension workers should assume the responsibility for the actual organization or operation of marketing associations.

The extension worker is a medium through which information obtained by research or practical experience may be extended to the producer. Once the cooperative has been given all the guidance possible in its organization, the extension service will, if given an opportunity for advisement, continue to stand by to the end that erroneous practices are avoided, and to assist the officials of the associations to foresee and solve their problems.

It is a relatively easy matter for local groups in cooperative marketing associations and local groups of extension workers to cooperate to the fullest extent. There is greater difficulty in maintaining their relationship with large-scale organizations which may extend over one or more states. There is need here for continued effort on the part of both extension workers and officials of cooperative associations to create and maintain contacts which will make effective to the greatest degree the services of the extension groups.

Extension officials, as a group, are convinced of the soundness of the principles of cooperation. They do, however, need information which will enable them to evaluate the soundness of particular plans and the efficiency of particular organizations. When associations are honestly and efficiently operated in the interests of the producers, it is a tragedy that lack of contact or misunderstanding should hamper the capacity of the extension workers for service, or deprive the cooperatives of assistance which they need and to which they are entitled.

Every effort, then, must be made to maintain harmonious relationships and mutual confidence between these two agencies which are concerned, each in its own way, with the improvement of farm conditions. May I ask the cooperative organizations to fully and frankly inform the extension workers in the states and communities where they operate regarding their policies, problems and accomplishments? On this basis, I am sure that the associations can depend upon the support of state and community extension groups. Speaking for the Federal Extension Service, I can assure you that we will continue to extend our efforts to assist in the further development of agricultural cooperation.

